

FISCAL IMPACT STATEMENT ON BILL NO. **S.341**

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TO:	The Honorable John E. Courson, Chairman, Senate Education Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Bryce Wilson		
DATE:	February 21, 2007	SBD:	2007137

AUTHOR:	Senator Setzler	PRIMARY CODE CITE:	59-111-20
SUBJECT:	Free Tuition for College - Veteran's Children		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
See Below

BILL SUMMARY:

This Bill would amend Section 59-111-20 of the Code of Laws so that in addition to children of veterans, children of active duty members may receive free tuition at state higher education institutions provided specified qualifications are met. These qualifications include that the parent must be a resident of SC, serving honorably and meet one of three conditions: (1) Purple Heart recipient, (2) Congressional Medal of Honor recipient, or (3) missing in action.

EXPLANATION OF IMPACT:

The Commission on Higher Education (CHE) indicates that because of the narrowly defined qualifications contained in the Bill they do not anticipate a large number of students taking advantage of this provision. CHE estimates sixteen additional students becoming eligible; nine at four year institutions and seven at two year institutions.

Providing free tuition to these students would result in a loss of tuition revenue to the institutions. Average tuition at 4-year and 2-year institutions is \$7,666 and \$3,295 respectively. If the number of students utilizing this provision becomes substantial, tuition and fees schedules may need to be adjusted by the institutions to offset this loss of revenue.

LOCAL GOVERNMENT IMPACT:

None.

SPECIAL NOTES:

The Board of Economic Advisors is the appropriate entity to address any revenue impact associated with this Bill.

Approved by:



Don Addy
Assistant Director, Office of State Budget